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FM AMEMBASSY ALGIERS
TO RUEHC/SECSTATE WASHDC 5162
INFO RUEHBP/AMEMBASSY BAMAKO 0391
RUEHMD/AMEMBASSY MADRID 8776
RUEHMK/AMEMBASSY NOUAKCHOTT 6192
RUEHFR/AMEMBASSY PARIS 2514
RUEHRB/AMEMBASSY RABAT 2125
RUEHTRO/AMEMBASSY TRIPOLI
RUEHTU/AMEMBASSY TUNIS 6984
RUEHCL/AMCONSUL CASABLANCA 3223
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C O N F I D E N T I A L SECTION 01 OF 02 ALGIERS 000085

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TAGS: [PREL](#) [PGOV](#) [KDEM](#) [FR](#) [AG](#)

SUBJECT: FRENCH AMBASSADOR: BOUTEFLIKA MAY NOT NEED TO
MOVE BUT ALGERIA NEEDS TO

Classified By: Ambassador Robert Ford, reason 1.4 (d)

1. (C) French Ambassador Bajolet told the Ambassador on January 23 that he and the French government are worried that Algeria is gradually losing interest in Algeria above all is stability and economic growth. Increased pressure on Algerians to emigrate to France because of a lack of opposition government, he said, sees few positive developments in Algeria now:

- municipalities, who are closest to the population, have no authority or resources to address needs locally;
- there is an inability throughout the government to make hard decisions; Bajolet called it a kind of immobilism;
- the political parties have little space and seem ready to make short-term deals at long-term political loss;
- public interest in the formal political system has diminished sharply, as seen in the two 2007 elections;
- the business climate is difficult and not improving; and investment and job creation are lacking (Bajolet noted that a French business association corruption, all the way up to the Bouteflika brothers, has reached a new level and is interfering with economic development;

BOUTEFLIKA'S THIRD TERM AMBITIONS

2. (C) Bajolet said he understood that the security service leadership has given its approval for the constitution to be changed so that Bouteflika's consensus within the top security leadership to support a third term for Bouteflika resulted in part from the widespread view that Bouteflika's relationship between the security services and Bouteflika is still ticklish. For example, the French have concluded that the security services encouraged Bouteflika to run for a third term.

3. (C) Bajolet said the French are being extremely careful about what they say to the Algerians about changing the constitution and enabling Bouteflika to do so. Bajolet observed that the French see no obvious successor to Bouteflika. Former Prime Minister Hamrouche, he noted, speaks of reform but is that they are neutral on the issue of Bouteflika's third term but that the government needs to start addressing Algeria's serious economic and political problems.

SECURITY

4. (C) Bajolet expressed great concern about the security situation and asked numerous questions about our latest warden message. Our recommendation is to continue to monitor the situation closely.

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Western schools had put him in a difficult spot, he noted, since there are two official French schools in Algiers. Bajolet asserted that Al-Qa'ida's presence in the country is a major concern.

5. (C) COMMENT: Bajolet opined that external pressure on the government here to try to force it to drop the Bouteflika third-term idea will not be good. The outlook here is not good unless the government really begins to fix the economy and the political system. He was not confident that it would, but he believed that the French government would continue to pressure the Algerian government to do so.